

(c) No evidence of any link between this smuggling and militants has come to notice.

(d) Does not arise in view of (c) above.

Basel Committee on Banking Supervision

2613. SHRI K. RAHMAN KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Basel Committee on banking supervision is considering sweeping changes for setting new categories for risk including operational risks like computer failures to keep pace with the increasing sophistication in the financial service industry; and

(b) if so, what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE-PATIL): (a) and (b) Reserve Bank of India (RBI) has reported that the Basel Committee on Banking Supervision (BCBS) has released a Second Consultative Document on "The New Basel Capital Accord" which contains proposals to prescribe explicit capital charge for operational risk, in addition to capital charge for credit risk and market risk in the trading book. RBI has further reported that these proposals are not final and the Committee intends to do more work over the coming months to determine how best to set minimum capital requirements for operational risk, assuming that additional data will become available. Further, the Committee has envisioned that the New Accord will be implemented in member jurisdictions in 2004.

Income-Tax on PF

2614. SHRI BRATIN SENGUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a quantum of Income-Tax is being imposed on the Provident Fund of the Central Government employees;

(b) whether this tax was earlier payable by them or it is altogether a new tax; and

(c) how much black money has been unearthed in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) No Sir.